



Metro

Los Angeles County
Metropolitan Transportation Authority

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September 3, 2013

TO: BOARD OF DIRECTORS

THROUGH: ARTHUR T. LEAHY *by [signature]*
CHIEF EXECUTIVE OFFICER

FROM: MARTHA WELBORNE, FAIA *MW*
EXECUTIVE DIRECTOR, COUNTYWIDE PLANNING

**SUBJECT: FY 2013 FEDERAL PASSENGER FERRY DISCRETIONARY
GRANT OPPORTUNITY**

ISSUE

On August 21, 2013, the Federal Transit Administration (FTA) issued a Notice of Funding Availability (NOFA) for \$29.9 million in federal fiscal year (FFY) 2013 funds from the Passenger Ferry Program to be awarded through a competitive selection process. Although Metro is not an eligible applicant because we do not provide public transportation ferry service, we will reach out to agencies in our region that may be eligible to apply for this funding opportunity. If requested, we will provide technical support to assist them in preparing competitive proposals. Applications are due to FTA by October 21, 2013.

BACKGROUND

The discretionary Passenger Ferry Grants Program was authorized by the Moving Ahead for Progress in the 21st Century Act (MAP-21). It is funded by a set aside of \$30 million per year from FTA's Section 5307 Urbanized Area Formula Grants Program. These funds are in addition to the \$67 million per year authorized by MAP-21 for the Federal Highway Administration's (FHWA) Construction of Ferry Boats and Ferry Terminal Facilities Program. This FHWA formula program replaced its Ferry Boat Discretionary (FBD) Program that was funded through FFY 2012 by the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) and the Surface Transportation Extension Acts. In August 2012, the FHWA awarded the City of Avalon's Cabrillo Mole Ferry Terminal Rehabilitation Project \$2.4 million in FBD funding. Because the City of Avalon can not apply directly for this grant, Metro prepared and submitted a grant application on the city's behalf. The grant application is still pending approval by FTA. In August 2013, the FHWA announced the distribution of FFY 2013 ferry formula funds, including \$599,344 for two agencies from our region.

NOFA Summary

The NOFA describes applicant and project eligibility, local funding share requirements, project evaluation criteria and grant application requirements. Eligible applicants must be eligible direct recipients of FTA Section 5307 funds engaged in providing public transportation ferry service. Only capital projects are eligible for funding, including the purchase, replacement, or rehabilitation of ferries, terminals and related equipment. As applicable to our region, the project(s) to be funded must be in the urbanized area of Los Angeles-Long Beach-Anaheim.

The local (non-federal) share of a project's net cost ranges between 10 and 20 percent. The local match may include cash from non-governmental sources, in-kind contributions, federal funds from a source other than the United States Department of Transportation, and Transportation Development Credits (TDCs), among other sources. TDCs provide a credit toward a project's local share based on certain expenditures funded with toll revenues statewide. Accordingly, a proposal submitted in response to this NOFA can be 100 percent federally funded using TDCs to meet the local match requirement. We will coordinate with the Southern California Association of Governments and the California Department of Transportation to ensure that no additional approvals are needed to use TDCs as match for local projects submitted in response to this NOFA.

FTA's evaluation criteria include the following: i) demonstration of need and benefits; ii) planning and local/regional prioritization; iii) project readiness; iv) technical, legal, and financial capacity of the applicant to implement the proposed project(s); and v) connectivity to other modes of transportation. Geographic diversity and the applicant's receipt of other federal funding for ferries may be considered in FTA's grant award decisions. The FTA Administrator will determine the final selection and amount of funding for each project.

Among the grant program's requirements, an applicant selected for funding award must adhere to the customary FTA grant requirements of the Section 5307 Program. One key requirement is that the grantee must ensure that the non-peak hour ferry fare for seniors, individuals with disabilities, and individuals presenting a Medicare card is not more than 50 percent of the peak hour ferry fare.

NEXT STEPS

FTA expects to notify successful applicants in January 2014. We will inform the Board of Directors of the outcome of any proposal(s) submitted from eligible applicants we identified from Los Angeles County.